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SENSITIVE
SIPDIS

DEPARTMENT FOR PM/DTC AND EAP/J

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [JA](#)
SUBJECT: MOD SUSPENDS TRADING COMPANIES

SENSITIVE BUT UNCLASSIFIED. CONTAINS PROPRIETARY INFORMATION.

¶1. (SBU) On May 16, Ministry of Defense (MOD) officials informed EconOff they have determined four Japanese trading companies are ineligible to sell to MOD because of their excessive pricing of previous defense articles. Ministry of Defense Equipment Policy Division Deputy Director Shinji Sato told EconOff these companies may have the opportunity to be reinstated as eligible to sell to MOD once they refund the amounts they overcharged the MOD for defense products.

The companies are:
Yamada Corporation
Izumi Garden Tower, 6-1, 1-chome, Roppongi, Minato-ku, Tokyo, Japan

Kyokuto Boeki Kaisha, Ltd.
2-1, 2-chome, Ote-machi, Chiyoda-ku, Tokyo
<http://www.kbk.co.jp/english/default.html>

Fuji Industries Co., Ltd. (not Fuji HEAVY Industries)
Meikai Bldg. 32 Akashi-machi, Chuo-ku, Kobe City, Japan
http://www.ficjp.com/top_e.html

Science Technology Ltd.
1-44 Nagasaka, Tsuzuki-ku, Yokohama City, Kanagawa Prefecture, Japan

¶2. (SBU) Sato told EconOff that contracts with the companies which pre-date the excessive pricing will still be honored. These include contracts with Fuji Industries from prior to November 24, 2006; Science Technology from prior to November 15, 2007; with Yamada Corporation from prior to November 22, 2007 and Kyokuto Boeki Kaisha from prior to January 7, 2008.

¶3. (SBU) Post will keep Defense Trade Controls informed of any future changes in eligibility for Japanese trading companies as changes occur.

SCHIEFFER